(17)

Memorandum.

SUBMITTED BY SIR MIRZA ISMAIL, DEWAN OF MYSORE, TO HIS EXCELLENCY THE VICEROY ON 29TH JANUARY 1933 AT DELHI, ON BEHALF OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

His Highness the Maharaja understands that the time has come when it is desirable for him to state for the information of the British Government, as clearly and explicitly as is practicable in present circumstances, the conditions on which the State of Mysore is prepared to become a member of the proposed All-India Federation.

There are certain terms common to all the States which, it is presumed, will be the subject of a general discussion. It is not possible to anticipate the results of such a discussion, but presuming that an agreement will be arrived at by the general body of the States, His Highness sees no reason to anticipate that it will be necessary for Mysore to stand apart.

There are certain terms in respect of which it is probable that there will be a difference of opinion between some of the larger States (including Mysore) on the one hand, and the body whose interests are represented by the Chamber of Princes on the other. And it seems likely that the only agreement that it will be possible to arrive at in these matters will be to leave them to the decision of the British Government. Should this prove to be the case, His Highness the Maharaja would be prepared to accept such a solution.

There are certain terms which are peculiar to the case of Mysore of which the two principal are :—

(1) that the subsidy should be entirely remitted and

(2) that the position of the Assigned Tract should be settled in a manner satisfactory to the State.

The Subsidy.

(1) On the first of these subjects a long series of representations, extending over many years, has been made to the Government of India and the British Government. His Highness hoped that, even before the introduction of, and without reference to, the prospective constitutional changes, the British Government would have seen their way to grant the relief asked for. In any event, he felt assured that the cessation of this payment was implicit in the idea of an All-India Federation and in the equal distribution of burdens among the units which Federation involves.

Successive Committees of the Round Table Conference, and the Conference itself, have accepted the view that the payment of tribute by some of the States to the Federal Government is incompatible with the Federal idea. Thus the (Peel) Committee on Federal Finance, 1932, reported as follows :—

> " We are strongly of opinion that the present cash contributions of unequal incidence paid by certain States

> contravene the fundamental principle that contributions to Federal Revenues should be on a uniform basis; and we endorse the view of the Davidson Committee that there is no permanent place for such exceptional and unequal contributions in a system of Federal Finance."

Having accepted the principle, however, the Committee, by a majority, recommended only the gradual elimination of these contributions, the reason given being that "during the period of X years the entire sacrifice of this source of federal revenue would not be practicable."

This view appears to His Highness to be untenable. He is greatly disappointed to find that, while the payment of subventions to new and deficit Provinces and the alienation of a part of federal revenues, as in the case of Bengal, both of which involve the payment of large sums, are contemplated as immediate measures, the grant of overdue relief to the States to the extent of a comparatively small sum should be sought to be deferred upon considerations, not too convincing, of financial expediency. His Highness the Maharaja views this matter as one of principle, and regrets that it is out of question for him to accede to the Federation so long as provision for payment of a subsidy in any shape or form continues to be part of the Constitution. Should the proposals at present put forward be confirmed, it will be necessary for Mysore to remain outside the Constitution until the time comes when the subsidy has been completely remitted.

The Assigned Tract.

(2) As regards the position of the Assigned Tract, which Lord Reading, as Viceroy, has emphatically declared to be an integral part of the Mysore State, the present anomalous system of administration is a relic of the days when the whole State was under British control. It is not necessary for military purposes. It is not economical. It is highly inconvenient to have the tenth city in India divided into two parts by an artificial boundary. It is incompatible with the dignity and prestige of His Highness the Maharaja to have a rival administration set up within his own Capital. It is a reflection upon a Government whose administration has been described as a "pattern to the whole world" that they are not considered fit to administer this portion of their own territory. It is embarrassing that it should be administered by the Political Officer who is accredited to the State. There is no room in the new constitution for the direct administration of such an area by the Paramount Power. And it is quite out of the question for the jurisdiction ceded to the British Government to be transferred to the Federal authority. The only solution of the matter compatible with the Federal idea is for the jurisdiction, which was ceded to the Governor-General in Council at

a time when the present constitutional changes were undreamt of, to be restored to the State, and for the State to be placed in the same position in respect of cantonments as a British Province. His Highness the Maharaja guarantees that, when this is done, the Military authorities shall have no cause of complaint.

I am to say, in conclusion, that it is not without much regret and reluctance that His Highness has come to this decision. He trusts that his attitude in these matters, especially in that of the Assigned Tract, will not be misunderstood by His Excellency the Viceroy or by His Majesty's Government. His Highness is, and has been throughout, a firm believer in a constitution founded upon an All-India basis. He is anxious to enter the Federation. But he feels that he can do so only, in the words of Lord Irwin, "on terms of honourable equality with other units," and that, if he did not insist upon the above conditions, he would be sacrificing the legitimate and vital interests of his State.

MIRZA M. ISMAIL.